

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 178 (MC2016-60)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-75

**NOTICE OF UNITED STATES POSTAL SERVICE OF
AMENDMENT TO PRIORITY MAIL CONTRACT 178,
WITH PORTIONS FILED UNDER SEAL**
(August 11, 2016)

The Postal Service hereby provides notice that the terms of Priority Mail Contract 178, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 178 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective one business day following the day that the Commission completes its review of this filing.

This amendment will not materially affect the cost coverage of Priority Mail Contract 178. Therefore, the supporting financial documentation and financial certification initially filed in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the customer-identifying information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.

Chief Counsel, Pricing and Product Support

Elizabeth A. Reed

475 L'Enfant Plaza West, S.W.

Washington, D.C. 20260-1137

(202) 268-3179, Fax -6187

elizabeth.a.reed@usps.gov

August 11, 2016

ATTACHMENT A

REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 178

**AMENDMENT OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING
PRIORITY MAIL SERVICE**

WHEREAS, the United States Postal Service ("the Postal Service") and [REDACTED] ("Customer") entered into a shipping services contract regarding Priority Mail service on December 18, 2015.

WHEREAS, the Parties desire to revise Sections I.G and I.H for Customer under this contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective one business day following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.G and I.H in their entirety, as follows:]

I. Terms

G. The terms and prices contained herein will take effect on the effective date as defined in Section II. The Contract Quarters are defined below in Table 1:

Table 1

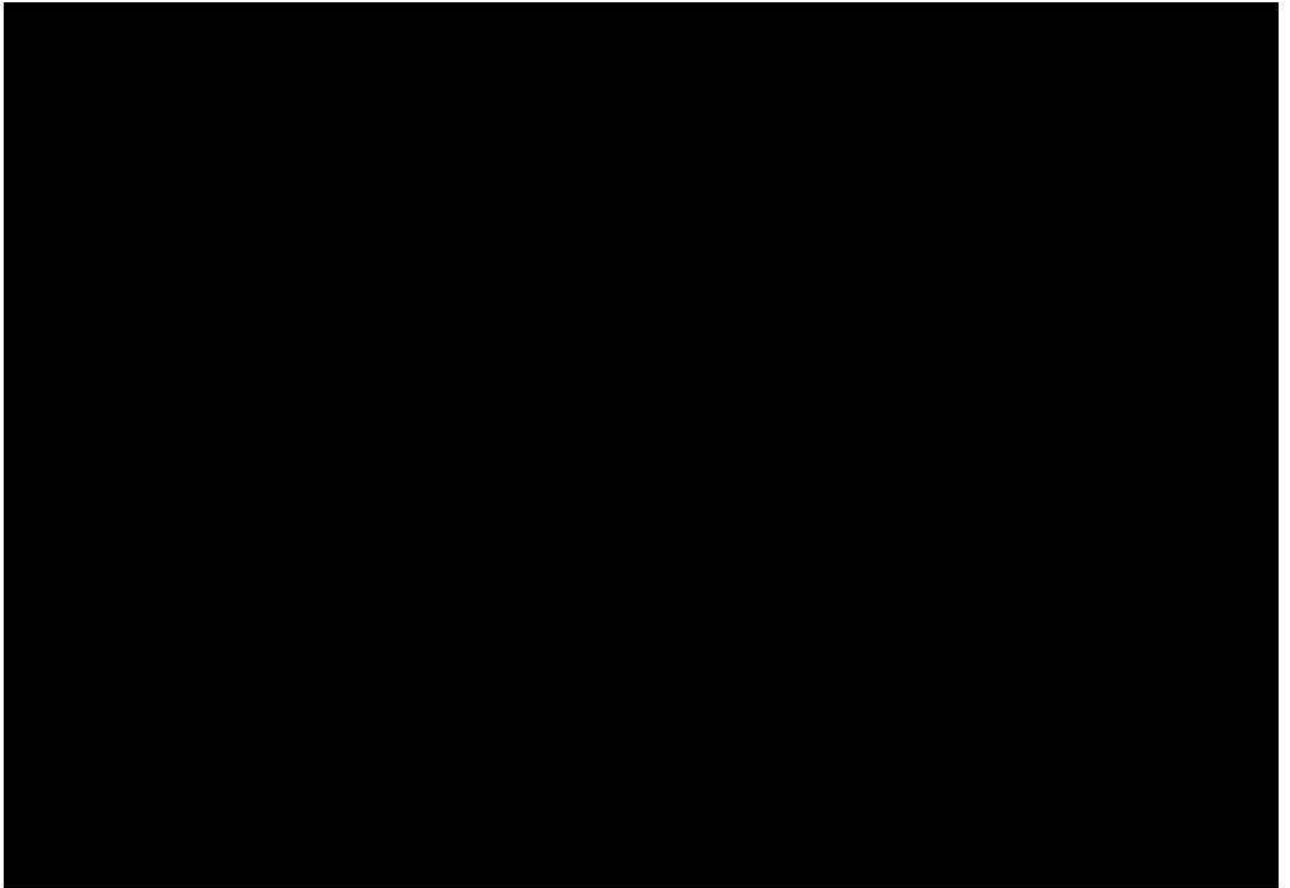
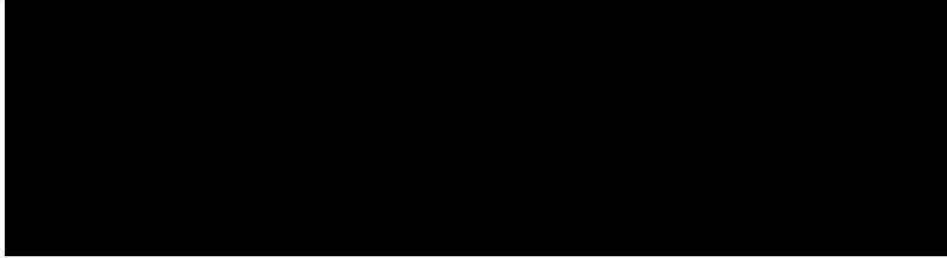
Period Name	Start of Period	End of Period
Quarter 1	January 1 st	March 31 st
Quarter 2	April 1 st	June 30 th
Quarter 3	July 1 st	September 30 th
Quarter 4	October 1 st	December 31 st

H. Contract Prices. Customer shall receive pricing based on Customer's average volume of Total Packages shipped per Contract Quarter, as follows:

1. On the effective date of this amendment and until December 31, 2016, Customer will pay Tier 3 prices pursuant to Table 5 below.
2. Subsequent Prices. Beginning January 1, 2017, and until Customer has reached four (4) full Contract Quarters, the average volume for tier discounts will be based on the Total Packages shipped divided by the number of full quarters achieved. At the conclusion of the first four (4) full Contract Quarters, the subsequent average

volume calculations will be determined by the number of Total Packages in the previous four (4) contract Quarters divided by four (4).

3. The Postal Service will monitor the average volume for Customer's Total Packages, and within fifteen (15) days after the start of each Contract Quarter will notify Customer of the applicable tier for that Contract Quarter based on the volume tier achieved in Table 2 below. Discounts will be effective within fifteen (15) days after the start of each Contract Quarter.



IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: _____

Printed Name: _____

Title: _____

Date: _____